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Government
Publications

HELPING SMALL BUSINESS:
A GUIDE TO FEDERAL SUPPORT

Federal Economic Development Initiative for Northern Ontario (FedNor)

FedNor was established to address the unique concerns and needs of businesses in northern Ontario. Its goal is to help businesses deal with such issues as:

- international competition
- rapid technological advances
- the need for efficient access to business information
- the need to attract capital.

At a conference on future directions held in Timmins in June 1995, two key priorities for action emerged: building opportunities for cooperative partnerships between the three levels of government and other stakeholders, and enhancing local responsibility for economic development at the community level. The recent transfer of responsibility for the Community Futures program in Ontario reinforces the commitment to support community economic development through the small business sector.

Canada/Ontario Business Call Centre

The Canada/Ontario Business Call Centre, led by Industry Canada and the Ontario Ministry of Economic Development, Trade and Tourism, officially opened on February 1, 1995. The business community is responding enthusiastically to the "Call Centre" concept. The Centre is already responding to up to 1 000 callers daily. The Centre provides fast action on requests, ranging from general information on starting a new business, to specialized requests on new market opportunities.

International Trade

Industry Canada, the Department of Foreign Affairs and International Trade, and the Ontario Ministry of Economic Development, Trade and Tourism are coordinating their international trade activities. An agreement signed in November 1994 will ensure coordinated planning and delivery of trade and investment activities and information sharing. It will also help Ontario businesses prepare for and gain broader access to international market opportunities. Two very successful education programs for small businesses — the "Export Essentials" and "Trade Shows Made Profitable" — are already being delivered by the Ontario government on behalf of the agreement partners. Streamlining, coordination and improvements in trade services by the two levels of government will continue to be a growing benefit for small businesses throughout the province.

In 1994-95, 268 small businesses in Ontario benefited from the Program for Export Market Development. The program is managed in Ontario by Industry Canada on behalf of the Department of Foreign Affairs and International Trade.

The International Trade Centre, located in the Industry Canada Ontario regional office in Toronto, provides small businesses with trade information, intelligence, counselling and advice on marketing opportunities.



Other Support for Small Businesses in Ontario

Federal support to small businesses is available through a network of Business Development Bank of Canada field offices, National Research Council Industrial Development Advisers, and Business Development Centres in rural areas. In addition, 20 Industry Canada officers based in Toronto are members of national industry sector teams working with the private sector to provide advice and intelligence to industry.

For more information, contact:

Canada/Ontario Business Call Centre

TORONTO, Ont.

M5V 3E5

Tel.: (416) 954-INFO (4636)

Toll Free: 1-800-567-2345

Fax: (416) 954-8597

FaxBack: (416) 954-8555

or 1-800-240-4192

FedNor

302 Queen Street East

SAULT STE. MARIE, Ont.

P6A 1Z1

Tel.: (705) 942-1327

Toll Free: 1-800-461-6021

FaxBack: (705) 942-5434

SME Support — Atlantic Canada

Atlantic Canada Opportunities Agency (ACOA)

Through the network of Canada Business Service Centres, ACOA provides a single point of contact for federal small business programs and services in Atlantic Canada. The agency has a well-established mandate to provide coordination and leadership in federal economic development programs. To provide better, more accessible services to small businesses, ACOA has developed a single program instrument, the Business Development Program (BDP). BDP provides assistance for business activities such as start-ups, expansions and modernizations, innovation, marketing, training, quality assurance, public bid tender preparation, and business studies. All assistance to commercial businesses will take the form of interest-free, unsecured, repayable contributions.

Canada – Atlantic Provinces Cooperation Agreement on International Business Development

A three-year, \$3-million agreement has been designed to develop awareness of trade development as a tool for business expansion and to increase the export capabilities of Atlantic firms. Under the agreement, the Atlantic Canada Opportunities Agency, Industry Canada and the Department of Foreign Affairs and International Trade will coordinate trade-related activities with the provinces.

ACOA Community Futures Program

The Atlantic Canada Opportunities Agency (ACOA), in conjunction with Community Futures Development Corporations (CFDCs), promotes and supports the development of the local economy in non-metropolitan communities. CFDCs have the capacity to provide technical and consulting advice to new or existing small businesses in non-metropolitan areas in Atlantic Canada. CFDCs also administer investment funds to create employment through support to local businesses in the form of loans, loan guarantees and equity participation up to a maximum of \$75,000.

For more information, contact:

Canada Business Service Centres

Canada Business Service Centre

90 O'Leary Avenue
P.O. Box 8687
ST. JOHN'S, Nfld.
A1B 3T1
Tel.: (709) 772-6022
Toll Free: 1-800-668-1010
Fax: (709) 772-6090
FaxBack: (709) 772-6030

Canada/Prince Edward Island Business Service Centre

232 Queen Street
P.O. Box 40
CHARLOTTETOWN, P.E.I.
C1A 7K2
Tel.: (902) 368-0771
Toll Free: 1-800-668-1010
Fax: (902) 566-7098
FaxBack: (902) 368-0776
or 1-800-401-3201

**Canada/Nova Scotia Business
Service Centre**

1575 Brunswick Street

HALIFAX, N.S.

B3J 2G1

Tel.: (902) 426-8604

Toll Free: 1-800-668-1010

Fax: (902) 426-6530

FaxBack: (902) 426-3201

or 1-800-401-3201

**Canada/New Brunswick
Business Service Centre**

570 Queen Street

FREDERICTON, N.B.

E3B 6Z6

Tel.: (506) 444-6140

Toll Free: 1-800-668-1010

Fax: (506) 444-6172

FaxBack: (506) 444-6169

ACOA Offices

ACOA Head Office

Blue Cross Centre

644 Main Street

P.O. Box 6051

MONCTON, N.B.

E1C 9J8

Tel.: (506) 851-2271

Toll Free: 1-800-561-7862

Fax: (506) 851-7403

ACOA Newfoundland

Atlantic Place

Suite 801, 215 Water Street

P.O. Box 1060, Station C

ST. JOHN'S, Nfld.

A1C 5M5

Tel.: (709) 772-2751

Toll Free: 1-800-668-1010

Fax: (709) 772-2712

ACOA Prince Edward Island

75 Fitzroy Street

P.O. Box 40

CHARLOTTETOWN, P.E.I.

C1A 7K2

Tel.: (902) 566-7492

Toll Free: 1-800-871-2596

Fax: (902) 566-7098

ACOA Nova Scotia

Suite 600, 1801 Hollis Street

P.O. Box 2284, Station M

HALIFAX, N.S.

B3J 3C8

Tel.: (902) 426-6743

Toll Free: 1-800-565-1228

Fax: (902) 426-2054

ACOA New Brunswick

3rd Floor, 570 Queen Street

P.O. Box 578

FREDERICTON, N.B.

E3B 5A6

Tel.: (506) 452-3184

Toll Free: 1-800-561-4030

Fax: (506) 452-3285

Enterprise Cape Breton Corporation

Commerce Tower

4th Floor, 15 Dorchester Street

P.O. Box 1750

SYDNEY, N.S.

B1P 6T7

Tel.: (902) 564-3600

Toll Free: 1-800-705-3926

Fax: (902) 564-3825

SME Support – Western Canada

Western Economic Diversification (WD)

WD provides a single point of contact for federal small business support programs in western Canada. The agency is focusing its efforts on economic development services at the community level. WD services fall into four key areas:

- Capital Services, to fill gaps in financial markets for small businesses by establishing targeted capital funds, in cooperation with commercial lending institutions, and providing information on alternative sources of capital: for example, on June 28, 1995, WD and the Royal Bank announced a loan fund for biotechnology and agricultural biotechnology companies.
- Building partnerships and strategic alliances with the provinces, industry and financial institutions, to address issues such as industry-wide competitiveness, community economic development in rural areas, and improved program delivery: for example, on March 11, 1995, WD represented the federal government in the creation of the Tourism Alliance for Western and Northern Canada.
- Information Services, including a "single-window" network to improve access to information for small business, and to ensure that the information meets clients' needs: for example, WD provides integrated information services in each province through Canada Business Service Centres and Women's Enterprise Centres.
- Business Services, which include activities to enhance supplier development programs, simplify regulations and integrate trade support programs: for example, WD has provided staff to help the Canadian Exporters Association establish new offices in Calgary and Vancouver.

Apparel Industry Initiative

Over the past few years, a strategic planning committee made up of industry, provincial and federal members (Industry Canada, and Human Resources Development Canada) have been addressing the needs of the industry in Alberta. Key focal points have been strategic direction of the industry in Alberta and the improvement of production technology, sourcing of modern computer-aided machinery and systems, sourcing of North American raw materials that qualify under the "fiber forward rules" of the NAFTA, quality standards (ISO 9000, etc.), international marketing, apprenticeship and higher education training and visits to award-winning industrial plants. The industry now has a widely accepted plan and is implementing various parts of it, including formation of an Alberta apparel association.

For more information, contact:

Canada Business Service Centres

Canada Business Service Centre

8th Floor, 330 Portage Avenue
P.O. Box 981
WINNIPEG, Man.
R3C 2V2
Tel.: (204) 984-2272
Toll Free: 1-800-665-2019
Fax: (204) 983-3852
FaxBack: (204) 984-5527
or 1-800-665-9386

Canada/Saskatchewan Business Service Centre

122 – 3rd Avenue, North
SASKATOON, Sask.
S7K 2H6
Tel.: (306) 956-2323
Toll Free: 1-800-667-4374
Fax: (306) 956-2328
FaxBack: (306) 956-2310
or 1-800-667-9433

Canada Business Service Centre

Suite 122, 9700 Jasper Avenue
EDMONTON, Alta.
T5J 4H7
Tel.: (403) 495-6800
Toll Free: 1-800-272-9675
Fax: (403) 495-7725
FaxBack: (403) 495-4138
or 1-800-563-9926

Canada/British Columbia Business Service Centre

601 West Cordova Street
VANCOUVER, B.C.
V6B 1G1
Tel.: (604) 775-5525
Toll Free: 1-800-667-2272
Fax: (604) 775-5520
FaxBack: (604) 775-5515

Western Economic Diversification Offices

WD — Manitoba

P.O. Box 777
Suite 712, 240 Graham Avenue
WINNIPEG, Man.
R3C 2L4
Tel.: (204) 983-4472
Fax: (204) 983-4694

WD — Saskatchewan

Room 601, 119 – 4th Avenue South
P.O. Box 2025
SASKATOON, Sask.
S7K 3S7
Tel.: (306) 975-4373
Fax: (306) 975-5484

WD — Alberta

Canada Place
Suite 1500, 9700 Jasper Avenue
EDMONTON, Alta.
T5J 4H7
Tel.: (403) 495-4164
Fax: (403) 495-4557

WD — British Columbia

Suite 1200, 1055 Dunsmuir Street
Bentall Tower 4
P.O. Box 49276
Bental Postal Station
VANCOUVER, B.C.
V7X 1L3
Tel.: (604) 666-6256
Fax: (604) 666-2353

SME Support — Quebec

Federal Office of Regional Development — Quebec (FORD(Q))

FORD(Q) provides a single point of contact for federal small business programs in Quebec. The agency has developed a new approach to helping small businesses through its Small Business Access Centre Service, designed to give small business a competitive edge on the world economic scene.

Small Business Access Centre, a service delivered through 13 regional offices, facilitates access to strategic federal information, access to business networks, and access to financial support. Small Business Access Centre harnesses the value-added of Canadian government teams at home and abroad in order to tailor it to the specific needs of small and medium-sized enterprises (SMEs) in all regions. FORD(Q) also administers its own program, IDEA-SME, designed to complement the range of other federal departments' programs focusing on three main areas:

- innovation, research and development, and design
- market development
- entrepreneurship and business climate.

In each of these areas, FORD(Q) provides information and guidance, promotes small business growth, facilitates access to flexible financing, and supports strategic "catalyst" projects in response to regional or sectoral needs.

ISO 9000 Diagnostic Tool

Industry Canada (Quebec region) has developed an innovative self-help diagnostic tool to assist small businesses in implementing ISO 9000 standards. Developed primarily for small manufacturers, the software package provides a quick, easy-to-use tool for establishing benchmarks for comparison with other firms in a sector and preparing ISO implementation plans. Firms using the program can benefit from indirect support — for example, by telephone — from ISO experts or resource centres.

For more information, contact:

Info entrepreneurs

Suite 12500, Plaza Level
5 Place Ville-Marie
MONTREAL, Que.
H3B 4Y2
Tel.: (514) 496-INFO (4636)
Toll Free: 1-800-322-INFO (4636)
Fax: (514) 496-5934
Info-Fax: (514) 496-4010
or 1-800-322-4010

FORD(Q) — Abitibi-Témiscamingue

906 — 5th Avenue
VAL-D'OR, Que.
J9P 1B9
Tel.: (819) 825-5260
Toll Free: 1-800-567-6451

FORD(Q) — Bas-Saint-Laurent-Gaspésie- Îles-de-la-Madeleine

Suite 200, 212 Belzile Street,
RIMOUSKI, Que.
G5L 3C3
Tel.: (418) 722-3282
Toll Free: 1-800-463-9073

FORD(Q) — Côte-Nord

Suite 202B, 701 Laure Boulevard
P.O. Box 698
SEPT-ÎLES, Que.
G4R 4K9
Tel.: (418) 968-3426
Toll Free: 1-800-463-1707

FORD(Q) — Laval-Laurentides-Lanaudière

Suite 204, Tour du Triomphe II
2540 Daniel-Johnson Boulevard
LAVAL, Que.
H7T 2S3
Tel.: (514) 973-6844
Toll Free: 1-800-430-6844

FORD(Q) — Montérégie

Suite 411, Saint-Charles Complex
1111 Saint-Charles Street West
LONGUEUIL, Que.
J4K 5G4
Tel.: (514) 928-4088
Toll Free: 1-800-284-0335

FORD(Q) — Nord-du-Québec

Suite 3800
800, Tour de la Place-Victoria
P.O. Box 247
MONTREAL, Que.
H4Z 1E8
Tel.: (514) 283-5174

Toll Free: 1-800-561-0633

FORD(Q) — Québec-Chaudière-Appalaches

2nd Floor, 905 Dufferin Avenue
QUEBEC CITY, Que.
G1R 5M6
Tel.: (418) 648-4826
Toll Free: 1-800-463-5204

FORD(Q) — Estrie

Suite 303, 1335 King Street West
SHERBROOKE, Que.
J1J 2B8
Tel.: (819) 564-5904
Toll Free: 1-800-567-6084

FORD(Q) — Mauricie-Bois-Francis

Suite 502, Place du Centre
150 Marchand Street
DRUMMONDVILLE, Que.
J2C 4N1
Tel.: (819) 478-4664
Toll Free: 1-800-567-1418

FORD(Q) — Montréal

Suite 3800
800, Tour de la Place-Victoria
P.O. Box 247
MONTREAL, Que.
H4Z 1E8
Tel.: (514) 283-2500

FORD(Q) — Outaouais

Suite 202
259 Saint-Joseph Boulevard
HULL, Que.
J8Y 6T1
Tel.: (819) 994-7442
Toll Free: 1-800-561-4353

FORD(Q) — Saguenay-Lac-Saint-Jean

Suite 203
170 Saint-Joseph Street South
ALMA, Que.
G8B 3E8
Tel.: (418) 668-3084
Toll Free: 1-800-463-9908

FORD(Q) — Trois-Rivières

Le Bourg du Fleuve
Suite 413, 25 des Forges Street
TROIS-RIVIÈRES, Que.
G9A 2G4
Tel.: (819) 371-5182
Toll Free: 1-800-567-8637

FORD(Q)'s head office is located in
Montreal: phone (514) 283-6412.

In the National Capital Region, a
liaison office is located in Hull:
phone (819) 997-2476.

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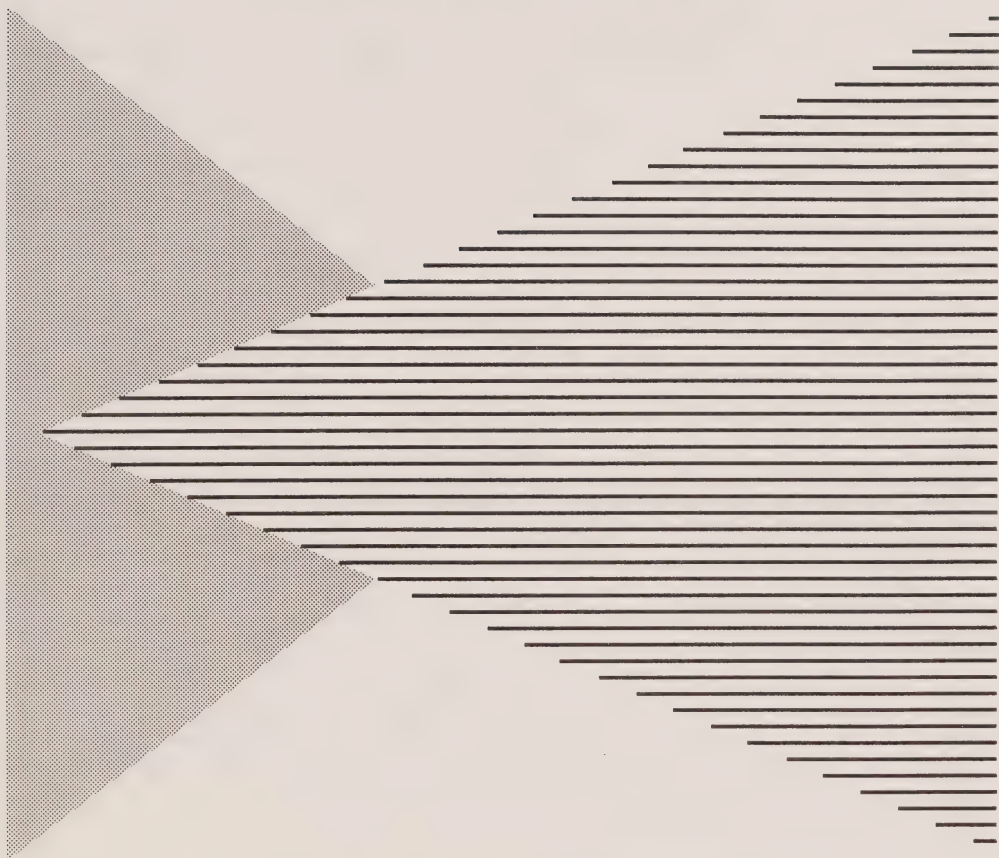
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HELPING SMALL BUSINESS:



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HELPING SMALL BUSINESS: A GUIDE TO FEDERAL SUPPORT

Support for small business is a fundamental part of the federal government's agenda for jobs and growth in Canada. The reason is simple: small businesses are the backbone of Canada's economy. They create nine out of every 10 new jobs in the country. They produce 60 percent of our total economic output. They hold the keys to the dynamic, innovative economy Canada needs for the future.

Government must free up the energy of small business — removing obstacles to growth, encouraging innovation, and targeting government support more effectively. Working with the small business community, we are helping small businesses to:

- cut through government red tape and inefficient regulation
- obtain the capital they need to expand and grow
- profit from new market opportunities and new technologies
- benefit from government programs that are more streamlined, more efficient and easier to use.

For more information on any of the initiatives described below, please contact the indicated number or your local Canada Business Service Centre office. The addresses, phone and other numbers can be found at the back of this booklet.

More efficient programs and services

All federal departments and agencies are rethinking how they do business — finding better ways to “make government work” in a changing environment. For small business, this means finding better ways to deliver federal support — through better coordination between departments, with other levels of government and with organizations outside government. It also means taking action to streamline programs, and to make them more efficient and more accessible to small business.

Canada Business Service Centres (CBSCs)

For many small businesses, getting information about programs and services is frustrating. Working with the federal departments, the regional agencies, provinces and territories, CBSCs have been set up in each province — providing single-window access to all federal programs, services and regulations.



Each CBSC tailors its services to the needs of its clients. Services may include:

- a toll-free telephone information and referral service
- the Business Information System containing information on the services and programs of participating departments and organizations
- information accessed through an automated FaxBack system
- brief descriptions of services and programs available on a topical basis (e.g. exporting)
- access to leading-edge business products such as videos, publications, business directories, how-to manuals, CD-ROM products and external databases.

We are now looking at ways to expand partnerships with organizations like local Chambers of Commerce, economic development corporations, educational institutions and joint federal/provincial offices, as we are doing in Quebec. The networks will be uniquely designed in each province to augment existing resources available to small businesses. A detailed contact list can be found at the end of this booklet.

Regionally centred innovations

Regional agencies and Industry Canada's regional offices are developing innovative ways to facilitate entrepreneurship, and are mobilizing the energy of small businesses to drive sustainable economic growth. The regional agencies provide a single point of contact for small businesses to access federal programs and services.

For example, the regional agencies — the Atlantic Canada Opportunities Agency (ACOA), the Federal Office of Regional Development – Quebec (FORD(Q)), the Federal Economic Development Initiative for Northern Ontario (FedNor), and Western Economic Diversification (WD) — have developed coordinated single-window approaches to help small businesses. ACOA has developed a single Business Development Program, and FORD(Q) operates with a new service approach called Small Business Access Centres, which brings together a variety of resources to meet the needs of its clients. Both FedNor and WD have developed priorities for enhancing economic development at the local level, and are building strategic alliances for cooperation among all levels of government and other stakeholders.

Targeting the Industries of Tomorrow

Leading-edge, knowledge-intensive industries are critical to Canada's future — but they often have difficulty getting financing for start-up and development. Industry Canada's B.C. office is addressing this issue in one key sector, the biopharmaceutical industry. Working with the provincial government, a new innovation centre will focus on financing joint ventures in contract research of direct benefit to sector small and medium-sized enterprises (SMEs).

More details on the regional agency in your region, as well as addresses, phone and other numbers, are available as an addition to this booklet. Alternatively, your local CBSC can provide this information for you.

Business information products

In a knowledge-based economy, information is critical to business success. Government departments are placing an increasing emphasis on their roles as information providers, gathering and making available the information that Canadian companies need to maintain and improve their competitiveness.

For example, Industry Canada and the Department of Foreign Affairs and International Trade (DFAIT) are developing a wide variety of information products covering areas such as:

- industrial research and analysis, including research papers and studies on the competitiveness of Canadian industries
- international business intelligence, market analysis and trade statistics
- information on technology transfer and diffusion
- information on business support programs and services provided by the government and the private sector.

This information will be available in hard copy and electronic formats, including on-line formats, through Industry Canada offices, Canada Business Service Centres, the regional agencies and private sector information services.

Eliminating inefficient subsidies

Small businesses have said that many government subsidies to business are both ineffective and costly because they were developed without sufficient consultation and were poorly targeted. We are identifying and eliminating those subsidies that do not produce solid results for business. About 60 percent of all business subsidies have been eliminated. Most of the remaining assistance will be repayable so that it does not distort market signals.

Better access to government contracts

The strategic use of government procurement contracts can help small businesses innovate and grow. To encourage more small businesses to become suppliers to government, we will clarify existing procurement systems, provide more accessible information about upcoming procurement opportunities, simplify the contracting process for smaller contracts, and ensure quicker payment of invoices. Small business will be consulted in this process.

The Open Bidding System allows companies to search for procurement opportunities on-line. The system is updated daily, with tenders from the governments of Manitoba, Ontario and Alberta as well as the federal government. For more information, call the OBS information line at 1-800-361-4637.

Cutting Regulatory and Paper Burden

Small businesses are increasingly frustrated with the amount of time required to deal with government paperwork and complicated rules. Decisive action is being taken to reduce that burden and to make the regulatory process more efficient.

Cutting red tape

Entrepreneurs should spend more time expanding their businesses and less time filling out government forms. The government will reduce the federal paper burden substantially, and quickly. A joint private/public sector Forum on Paper Burden is creating concrete measures of the cost of the paper burden on small business in order to set targets for reducing this burden. The forum has simplified and streamlined the payment process for federal government purchases from small businesses and has addressed the issue of amending the *Unemployment Insurance Act* regarding the Record of Employment. The forum is also looking at government-wide mechanisms to eliminate many of the common irritants faced by small businesses.

Doing Business with Revenue Canada

Revenue Canada has launched a number of initiatives to streamline the administrative work required of small businesses. The new Business Number allows businesses to use a single number for all Revenue Canada accounts. This is enhanced by the Business Window, organized to handle registration and provide information for all Revenue Canada programs at a single location.

Some small businesses may now file their Goods and Services Tax return with their Income Tax return, and offset a credit from one return against a debit from the other. In addition, concrete measures such as Electronic Data Interchange customs processing are being used to streamline the importing process and reduce both costs and paper burden.

Regulatory reform

Inefficient or outdated regulations are a serious obstacle to small businesses. By 1996, we will have revoked an estimated 250 regulations that have outlived their usefulness, and will have significantly revised another 370 regulations.

But this is just a first step. The government is working to ensure that we “regulate smarter.” We have tabled the *Regulations Act* to modernize the legal framework for regulation and to speed up the regulatory process.

The government has introduced new “service standards” for dealing with regulations that will ensure:

- clear, consistent and transparent standards for developing and implementing regulations
- better procedures for resolving complaints
- mandatory use of plain, easily understood language in all new regulations

- application of the Business Impact Test to assess proposed regulations in all departments by 1996
- an annual “house cleaning” to revoke obsolete regulations
- information about regulations that is more easily accessible to businesses
- departmental staff who are better trained in dealing with small businesses.

Improving Access to Capital

Small businesses need a reliable flow of capital — to finance start-ups as well as growth and expansion into new markets. To ensure access to capital, everyone has to become more responsive to small business needs, both in the business community and in government.

Business Development Bank of Canada (BDC)

The BDC, formerly the Federal Business Development Bank, plays an important role in filling the gaps in financing available to small business left by conventional banks. Parliament recently gave the Bank a new mandate and lifted the ceiling that restricted the Bank’s ability to meet the growing needs of small businesses.

The Bank will increase attention to smaller loans and investments through its lending and venture capital programs, particularly for knowledge-based “new economy” firms. For example, the Bank recently introduced:

- Micro-Business Loans of up to \$25 000 for very small businesses
- a Patient Capital program to provide long-term capital for innovative businesses in the early stages of development
- the Working Capital for Growth program, with loans that top up a company’s existing credit line so that it can take advantage of growth opportunities.

Contact numbers for the BDC office nearest you are available through the CBSCs.

Small Business Loans Act (SBLA)

In 1994, the government tripled the amount of money available to small businesses through the SBLA, from \$4 billion to \$12 billion. We have also put the program on a cost-recovery basis, with fees and interest rates more in tune with conventional market conditions. This will help to ensure that SBLA loans are directed effectively toward the intended target — borrowers who cannot access conventional financing.

If you want further information about how to apply for an SBLA loan, visit your local bank or other financial institution.

Canada Community Investment Plan (CCIP)

Access to venture capital is especially difficult for small businesses outside major financial centres. A new Canada Community Investment Plan will help communities bring together local sources of venture capital with firms looking for small amounts of equity. The federal government will launch a national competition for innovative community investment services in the fall of 1995 and will make investment development training and tools available to interested communities.

Farm Credit Corporation (FCC)

In addition to traditional lending, FCC can finance projects to diversify farm operations and help farmers develop value-added agricultural operations beyond the farm gate. A pilot program, Business Planning for New Agri-Ventures, will be administered by FCC with assistance from other agencies, the provinces, farm groups and the private sector to help farmers plan for non-primary agriculture and agriculture-related businesses.

For more information, phone the FCC head office at (306) 780-8100, or contact your local CBSC.

A Small Business Code of Conduct for financial institutions

With strong encouragement from the government, the Canadian Bankers Association developed a model Small Business Code of Conduct and Alternative Dispute Resolution procedures. Individual banks have adopted codes based on this model (available through your local branch), which should help ensure that banks are more accountable for adhering to minimum service standards when dealing with small businesses.

These minimum service standards include the following: banks will ensure that credit documentation is easily understood, and that the credit application process is explained clearly; when credit is refused, the reasons for the refusal will also be explained; and a more efficient process will help to resolve credit-related complaints. If a complaint cannot be resolved through a bank's internal procedures, a small business can turn to a timely, cost-efficient Alternative Dispute Resolution system that is moderated by a neutral party.

Western Economic Diversification (WD)

WD is taking a lead role in western Canada to establish investment funds in cooperation with financial institutions to leverage private sector capital and increase access to capital on commercial terms by SMEs. WD has established a \$30-million agricultural biotechnology and biotechnology fund in partnership with the Royal Bank (WD's exposure is \$3.75 million). WD is also currently negotiating the establishment of commercial loan funds in several strategic industry sectors including a \$100-million agricultural value-added initiative with the Canadian Imperial Bank of Commerce (CIBC) and the FCC and a \$25-million Knowledge-Based Industries Fund with the BDC. Other funds under active discussion include: health sciences, tourism, environmental industries, information technology, advanced industrial materials, ocean industries and an Independent Growth Firms Fund.

More details on WD's programs, as well as addresses, phone and other numbers, are available as an addition to this booklet. Alternatively, your local CBSC can provide this information for you.

Atlantic Investment Fund (AIF)

The \$30–32.5 million-AIF, being established by ACOA in partnership with the four Atlantic provinces, major banks and other private sector investors, will make equity and quasi-equity investments in the range of \$150 000 to \$750 000 on average in growth-oriented firms in the Atlantic region. This Fund will provide an effective source of capital and management expertise to firms in a region without an active venture capital market. AIF will be operated by the private sector on a full commercial basis, and at arm's length from governments. It will be managed by a private sector Board of Directors, a Chief Executive Officer and a small team of professional equity investors.

IDEA-SME

FORD(Q) is implementing a number of pilot projects with financial institutions to test new approaches to financing small and medium-sized enterprises (SMEs).

A FORD(Q) initiative, the IDEA-SME Fund is being offered in cooperation with the BDC. It primarily targets knowledge-based SMEs that contribute value-added and incorporate aspects of the new economy.

Long-term loans up to \$250 000 can be made for activities related to marketing, research and development, and design. Repayment and security terms are highly flexible.

Enhancing Trade Opportunities

Canada is a trading nation, but most of our exports are accounted for by a relatively few number of firms. We must turn our trading nation into a nation of traders — encouraging more businesses, especially smaller firms, to become exporters.

SMEs need an aggressive trading mentality and a strong outward orientation to take advantage of export markets. Small businesses, however, face many barriers when entering export markets. To help them overcome these barriers, the government has strengthened existing international business development support and has created a number of new initiatives.

Showcasing Small Business Expertise

Canada's world-class capability in Ocean Information Technology was showcased in a demonstration project held in conjunction with the Halifax G-7 Summit. Fourteen of the 18 participating firms were small businesses, from Nova Scotia, Newfoundland, New Brunswick, Quebec, Ontario and British Columbia. The project showed the broad range of expertise that small business has developed to acquire, communicate and manage marine information.

Access to information

DFAIT has introduced a number of initiatives to help small businesses gain access to timely, strategic information. For example, international business documents are now available 24 hours a day by fax through the department's FaxLink service and through an electronic bulletin board connected to the Internet.

Other DFAIT initiatives include a *Step-by-Step Kit for Accessing Information on Federal Government Programs for Exporters and Potential Exporters* and *The Road Map to Exporting and Export Financing*. DFAIT also created the Team Canada Sourcing Centre (TCSC), a “quick-response” unit to speed the flow of trade leads received from Trade Commissioners abroad to Canadian industry, particularly small businesses. For more information, phone 1-800-267-8376.

Forum for International Trade Training (FITT Inc.)

FITT Inc. provides training using a series of integrated courses designed for businesses, especially small and medium-sized firms. FITT's partners include key Canadian businesses and trade organizations with national and international trade expertise. FITT programs are particularly focused on assisting exporters and traders to assess their export readiness, develop international business plans, and formulate financing and marketing plans. For more information, phone 1-800-561-FITT (3488).

Program for Export Market Development (PEMD)

PEMD helps Canadian firms develop and take advantage of opportunities in export markets. We have refocused PEMD to target small businesses. Funding through the program is available to firms with annual sales under \$10 million and/or fewer than 100 employees for a manufacturing firm and fewer than 50 employees for a services firm. Phone 1-800-267-8376 for more information.

Progress Payment Program

The Canadian Commercial Corporation, in cooperation with Canadian financial institutions, has introduced a new Progress Payment Program to assist small business exporters. The program makes pre-shipment financing more accessible to small exporters by allowing them to draw on a special line of credit. Agreements have been reached with most major banks to implement the program. Information can be obtained by phoning (613) 995-0946 or 1-800-748-8191.

Foreign accounts receivable guarantee

The Export Development Corporation (EDC) has developed a program that encourages financial institutions to extend operating lines of credit against a small business's foreign accounts receivable. Through this foreign accounts receivable guarantee, the corporation can guarantee the payment of part of the exporter's accounts receivable to the exporter's bank. A pilot project is scheduled to begin shortly with a major Canadian bank. EDC's small business number is 1-800-850-9626.

Aboriginal trade and market expansion initiative

A special initiative under Aboriginal Business Canada encourages Aboriginally owned firms to expand their markets and to take advantage of the growing interest in Canadian Aboriginal products and expertise. Some financial support is available. However, the emphasis is on improving clients' access to trade development and promotion programs already offered by the International Trade Centres.

Enhancing trade through common standards

Common standards for products and services are an important part of the trade process. They make it easier for companies to do business across Canada and around the world. The government will introduce legislation in 1995-96 to modernize and streamline the Standards Council of Canada and provide it with a mandate to reinvigorate the National Standards System. A key priority for the Council will be to help SMEs to influence the development of standards for their products at home and abroad. For information on the Standards Council, phone (613) 238-3222.

Training for New Exporters

The BDC, in collaboration with Industry Canada and FORD(Q), has developed an innovative training and counselling program for new exporters called NEXPRO. Companies who want to export can join new exporter "clubs"; a counsellor and advisory committee help members become familiar with all aspects of exporting, from market evaluation to strategic planning.

Expanding opportunities for internal trade

The Internal Trade Agreement, implemented in July 1995, will expand market opportunities for small businesses in all parts of Canada. The Agreement provides, for the first time, a clear set of rules for trade within Canada. Businesses can appeal to their provincial governments if they feel these rules are not being respected.

For example, the Agreement ensures that:

- Canadian firms will have better access to procurement opportunities offered by all levels of government, regardless of where they are located
- labour will be able to move more freely between provinces, and occupational qualifications will become more "portable" as occupational standards from different jurisdictions are reconciled
- consumer standards and regulations will be harmonized, allowing firms to meet the standards of different provinces more easily and provide goods and services to a larger market.

For more information about how the Internal Trade Agreement works, phone (613) 954-3556.

Team Canada agreements

The federal government is working closely with the provinces and territories to promote international business opportunities for Canadian firms. This "Team Canada" approach recognizes that each partner can do more by working together than by working separately to help companies move into foreign markets, encourage international investment in local businesses, and ensure access to world-class technology. By working together, we avoid duplication of effort, and provide better support for Canada's small business community.

Team Canada

The Prime Minister's Team Canada missions to Asia and Latin America were an unparalleled success. In China alone, close to \$8.8 billion of commercial agreements were signed during the trade mission. Since then, considerable follow-up business has taken place. Many small and medium-sized businesses were able to capitalize on the missions' successes to advance their international business goals.

Business networks

Small firms are often unable to become or remain competitive in new markets while working on their own. Business networks help firms work together to develop world-class business skills, acquire financing, and combine resources such as knowledge or technological capabilities. Networking has been a key to the competitiveness of small businesses in other countries, including Italy, Japan and Denmark.

Industry Canada and the Canadian Business Network Coalition will launch a National Business Network Demonstration Project in the fall of 1995. The project will provide "how-to" information and training on setting up networks, and will support the development of new sectoral and cross-sectoral networks across Canada. For more information, phone the Canadian Chamber of Commerce at (613) 238-4000.

Science, Technology and Innovation

Science, technology and innovation must be wired into any economy that wants to be globally competitive. Small businesses, in particular, have the entrepreneurial drive to bring technological innovation to the marketplace, in a "national system of innovation" built through partnerships among the private sector, institutions and government.

Industrial Research Assistance Program (IRAP)

The National Research Council's IRAP has an extensive network of 270 Industrial Technology Advisors in 100 centres across Canada who provide technical advice and financial assistance, where needed, to SMEs for research, development and adaptation of technology to resolve technical problems or to address new business opportunities.

IRAP entertains a close liaison with federal, provincial and university expertise and resources, including international linkages. For more information, phone (613) 993-1790 or your local CBSC to access your IRAP representative.

The Canadian Technology Network (CTN)

CTN will link together technology service organizations across Canada to provide small businesses with quick access to technology and related business services. Small businesses will be able to get practical assistance through a single contact in the network, rather than deal separately with many different organizations.

The network is spearheaded by the National Research Council's IRAP, which is working closely with Industry Canada, the regional agencies, and other key federal and provincial service providers to build the network in every region of Canada. The initial launch of CTN is expected in the fall of 1995. For more information, or to access an IRAP representative, call the CBSC in your area.

Managing Strategic Marketing and Innovation

Industry Canada (Quebec region) and l'École des hautes études commerciales have collaborated on an innovative project to help small firms manage the innovation process and develop strategic marketing plans. The project brings together six to eight firms to work cooperatively in diagnosing strategic opportunities, developing new products and markets, and preparing plans for action.

Technology Partnerships Program

The government launched the Technology Partnerships Program in January 1995. It promotes collaboration between Canadian universities and small businesses in the commercialization of technologies. It provides strategic support for cost sharing between universities and the private sector in the development of new products. The program is delivered by the Natural Sciences and Engineering Research Council. For more information, phone a program officer at (613) 996-4993.

Extending the information highway

As the information highway grows and expands, it will place increasingly powerful tools into the hands of small business — tools for communicating and accessing information that were never before available. These tools will enable small businesses to compete on a level playing field with firms anywhere in the country for national and global sales.

Canada's information networks are already well advanced, based on a world-class telecommunications industry and infrastructure. The key to keeping this lead is a policy framework that favours competition, allowing the private sector to innovate and grow.

But government can do, and is doing, more to work with partners in industry and the business community to extend the information highway quickly. For example, SchoolNet — a joint federal-provincial project — will connect Canada's 16 500 schools to the Internet by 1998. The project is well ahead of similar initiatives in the United States and is now extending its scope even further. Under the Community Access Project, the network will be extended to provide access sites in up to 1 000 rural communities. Through these sites, individuals and communities will be able to conduct business, exchange information and ideas, and tap into the growing resources available on the information highway. For information on the Community Access Project, phone 1-800-268-6608.

The government has also joined business, educators and researchers to create the Canadian Network for the Advancement of Research, Industry and Education (CANARIE). CANARIE is a consortium of 140 organizations, including small and large businesses, which aims to develop and test new technology, applications and services, and to increase the speed and capacity of the Canadian Internet. CANARIE is currently developing a high-speed experimental network, and is helping innovative companies from coast to coast get more products and services onto the information highway.

For More Information...

For more information on federal support for small businesses, contact your nearest Canada Business Service Centre.

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FaxBack: (902) 368-0776

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Canada/Nova Scotia Business Service Centre

1575 Brunswick Street

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Canada/New Brunswick Business Service Centre

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or 1-800-322-4010

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FaxBack: (416) 954-8555

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or 1-800-665-9386

Canada/Saskatchewan Business Service Centre

122 – 3rd Avenue, North

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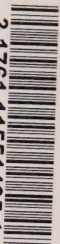
Toll Free: 1-800-667-2272

Fax: (604) 775-5520

FaxBack: (604) 775-5515

Note: Businesses in the Northwest Territories should direct their enquiries through the Manitoba CBSC. Businesses in the Yukon should contact the Alberta office for information or assistance.

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